

MASSACHUSETTS OFFICE OF BUSINESS DEVELOPMENT
**ECONOMIC DEVELOPMENT
INCENTIVE PROGRAM (EDIP)**
FISCAL YEAR 2013 - ANNUAL REPORT

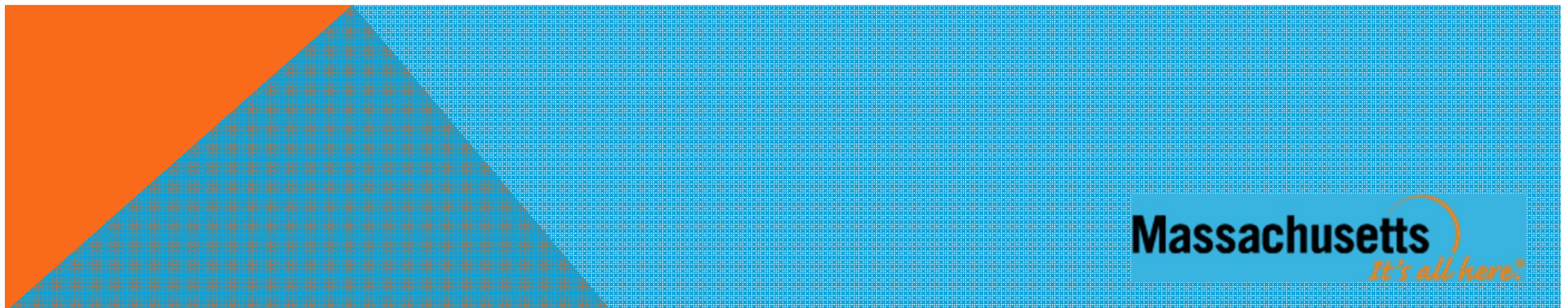
ANNAMARIE KERSTEN
EDIP DIRECTOR



EXECUTIVE SUMMARY: EDIP FY 2013 MILESTONES

Launched new online EDIP Annual Reporting Portal designed to streamline the annual reporting process for the companies, municipalities and MOBD; achieves a number of strategic objectives:

- Enables municipalities to have increased local incentive oversight through ability to access their company annual reports - Each municipality is able to login to the portal and view/print all reports filed in their communities since 2008.
- Enhances accessibility and streamlines the information gathering process
- Enables in-house control of data
- Reduces burden on companies by pre-populating project information in the annual reporting form
- Increases automation with better ability to evaluate compliance
- Creates more easily run reports



EXECUTIVE SUMMARY: EDIP FY 2013 MILESTONES

- Beginning with the March 2013 Economic Assistance Coordinating Council (EACC) meeting, **EDIP contracts** between the companies receiving tax credits and the Commonwealth were implemented. All commitments and timelines are clearly spelled out and signed by both parties so there are no questions in the future regarding obligations.
- Two municipalities, **Woburn** and **Westford**, joined the EDIP this fiscal year. Woburn qualified to become a Regional Technology Center and Westford joined Littleton and Boxborough in the 495 Regional Technology Center.
- Approved one new Economic Distressed Area (EDA), **Medford**, which allows businesses cleaning up contaminated areas to apply for brownfields credits.
- Conducted one EACC Board Meeting outside **Boston**, in **Worcester**.
- Developed policies to standardize programmatic situations.

EXECUTIVE SUMMARY: EDIP FY 2013 MILESTONES

- Addressed “issue areas” through votes and adoption by EACC Board of new policies at two Policy Meetings held in February and May
- Achieved consolidation of all historic EDIP program data including annual reports into agency’s CRM information system from two other databases
- Recruited and swore-in 4 new regional EACC Board members representing: Central, MetroWest, West and Southeast Mass
- Replaced an EACC Board member co-chair and other state-employed Board members from MOBD, DUA and Commonwealth Corp. resulting from personnel job changes
- Hired a new EDIP Project Coordinator

EDIP FY 2013: SOME OF THE PROJECTS APPROVED

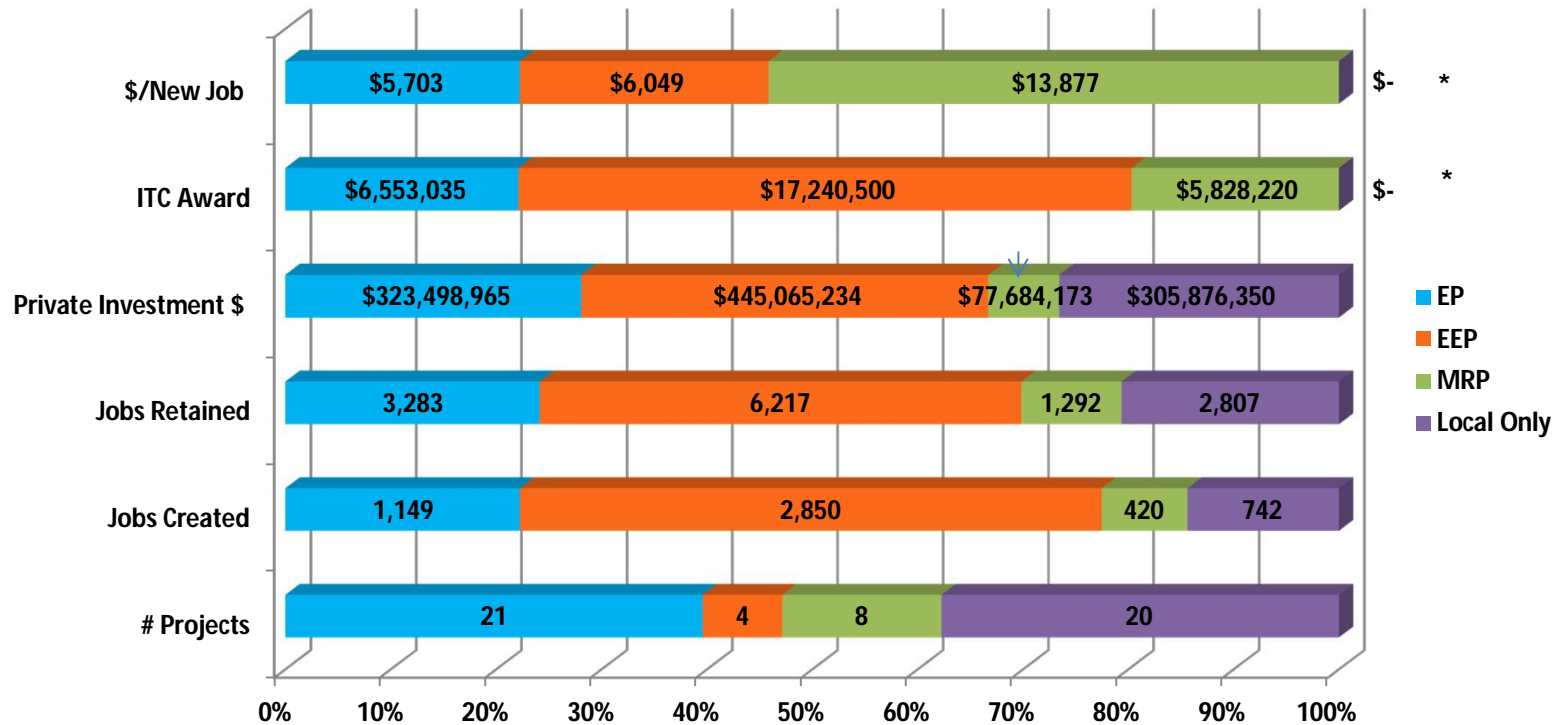


EDIP FY 2013 RESULTS: REGIONAL SNAPSHOT

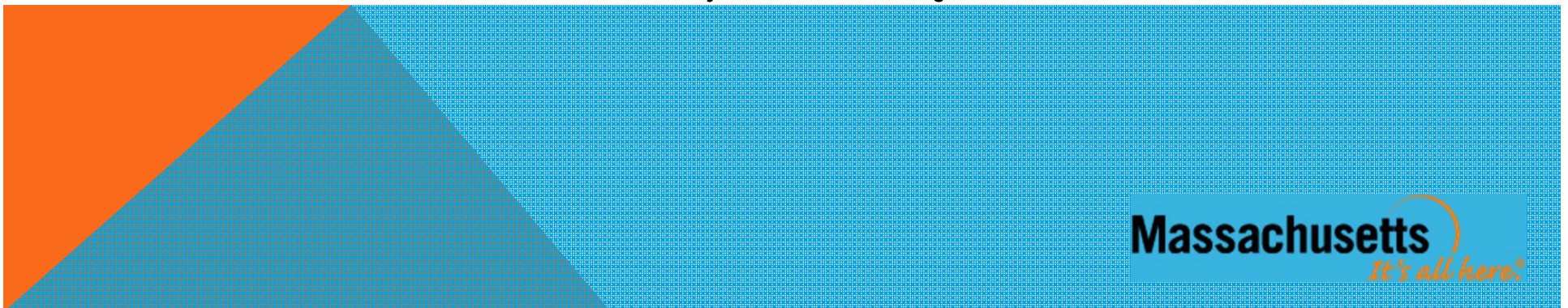
Region	Number of Projects	New Jobs	Retained Jobs	Private Investment	EDIPC* Awarded
Berkshires	4	102	313	\$9,126,460	\$144,266
Central	6	296	298	\$98,977,514	\$4,430,144
Greater Boston	6	93	569	\$51,161,230	\$592,500
MetroWest	12	3,236	6,197	\$650,793,397	\$14,250,000
Northeast	6	617	1,814	\$90,133,200	\$3,162,895
Pioneer Valley	7	279	3,547	\$83,320,291	\$4,161,550
Southeast	12	538	861	\$168,612,630	\$2,620,400
Total	53	5,161	13,599	\$1,152,124,722	\$29,361,755

***Economic Development Incentive Program Credits**

EDIP FY 2013 RESULTS: PROJECT TYPE AS A % OF TOTAL



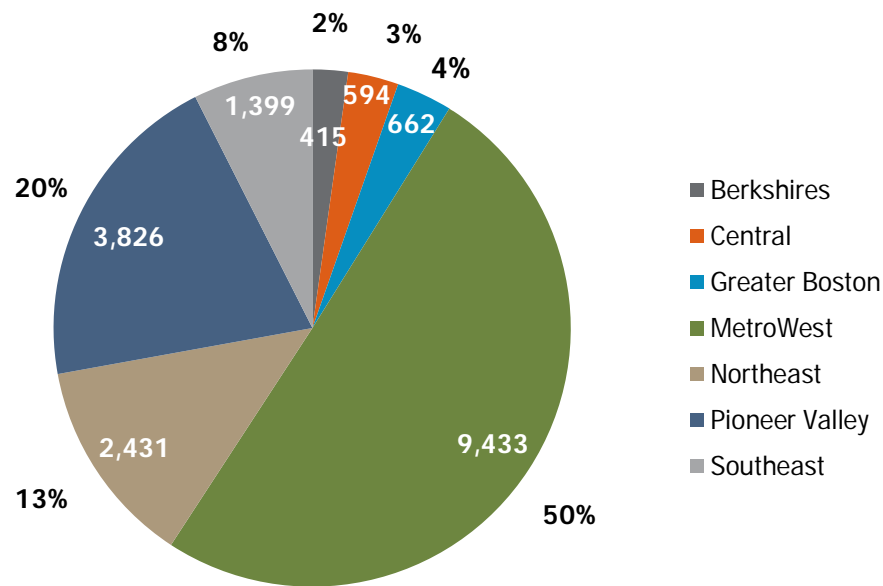
* \$0 cost to state as these jobs are not receiving state incentives



EDIP FY 2013 RESULTS BY *REGION*: JOB IMPACT AND EDIPC AWARDED

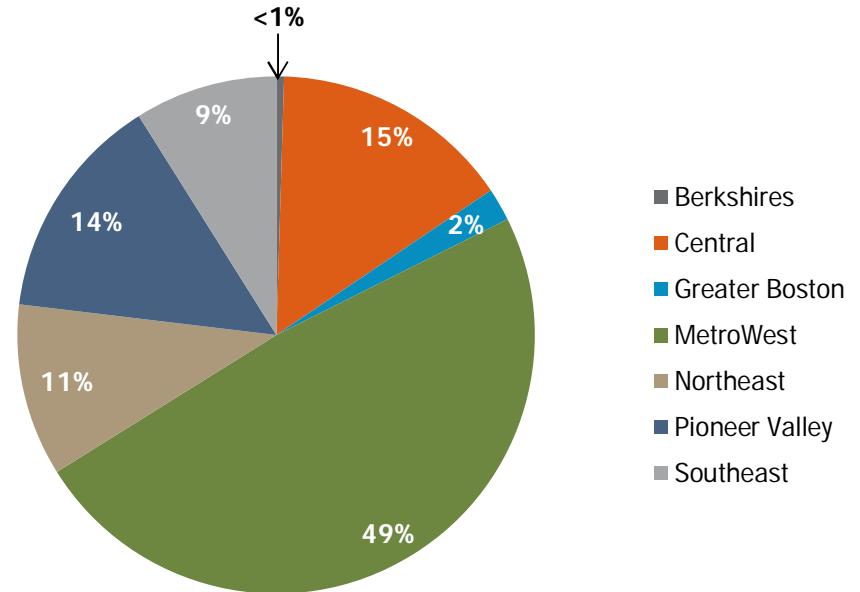
All Projects

J O B I M P A C T *

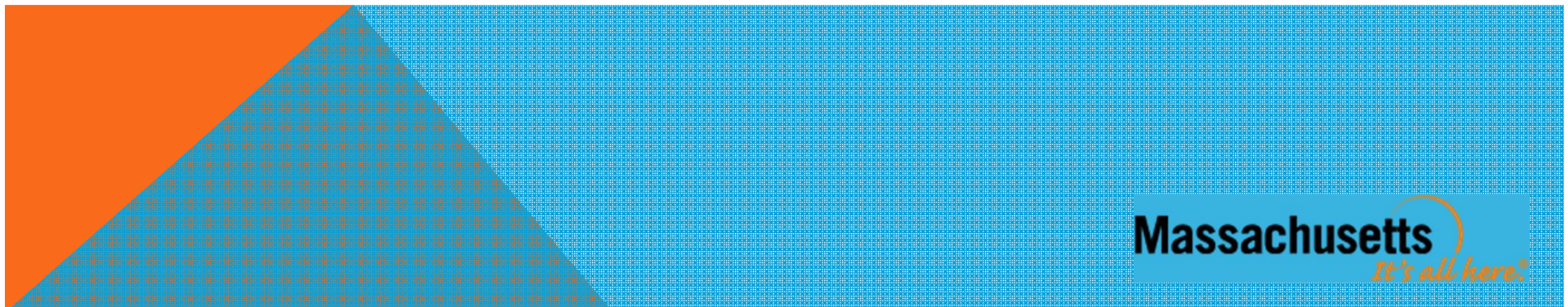


* Jobs Created + Jobs Retained = Job Impact

E D I P C * * A W A R D E D

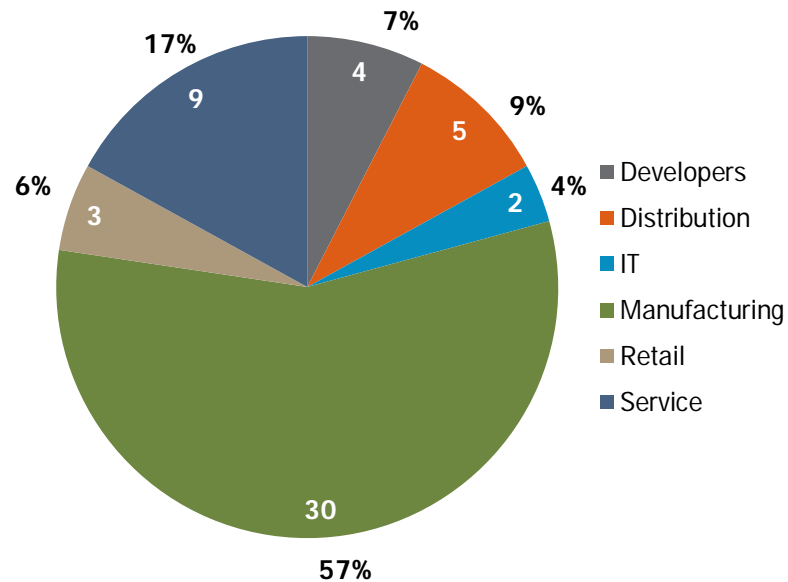


** Economic Development Incentive Credits

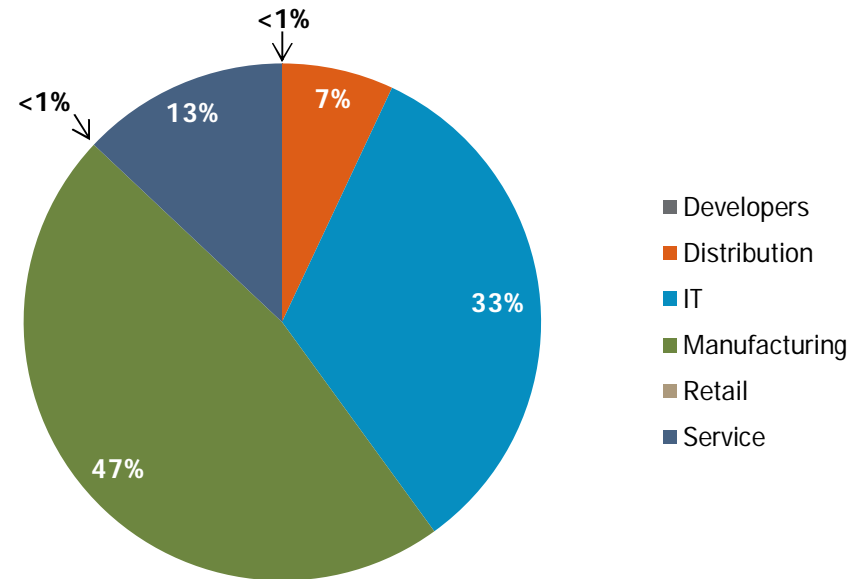


EDIP FY 2013 RESULTS BY *INDUSTRY*: # OF PROJECTS & EDIPC AWARDED

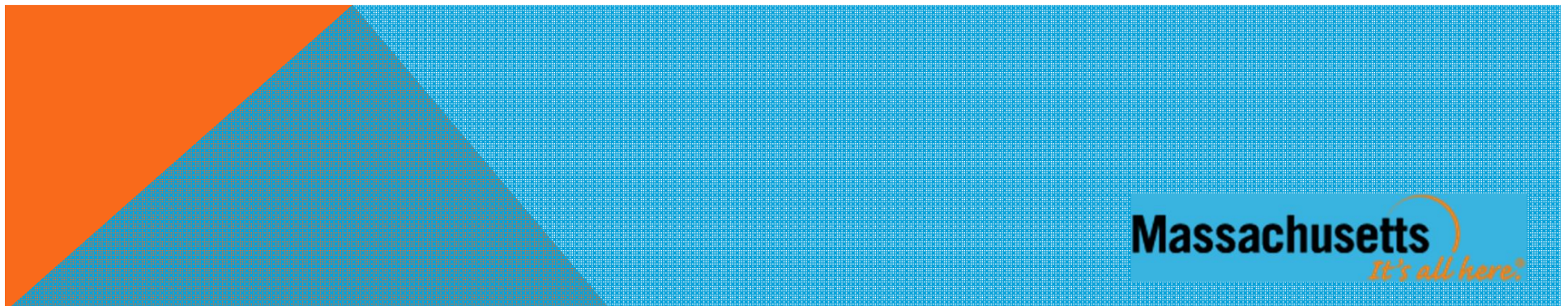
NUMBER OF PROJECTS



% EDIPC * BY INDUSTRY



*Economic Development Incentive Program Credit



EDIP REFORMS IN 2009 (EFFECTIVE CY 2010)

- Patrick Administration recognized program needed to be improved; now, better tied to Job Creation (vs. Capital Expenditures)
- Have ability to target certain industries and geographies (i.e. Manufacturers and Gateway Cities)
- Out-of-state sales eligibility requirement allows focus on companies that drive economic development
- Annual Review Process with ability to end tax credit awards for projects not meeting job creation commitment
- Allows certainty for state budget; awards dictated re: how much and what years credits can be taken

EDIP REFORMS IN 2010

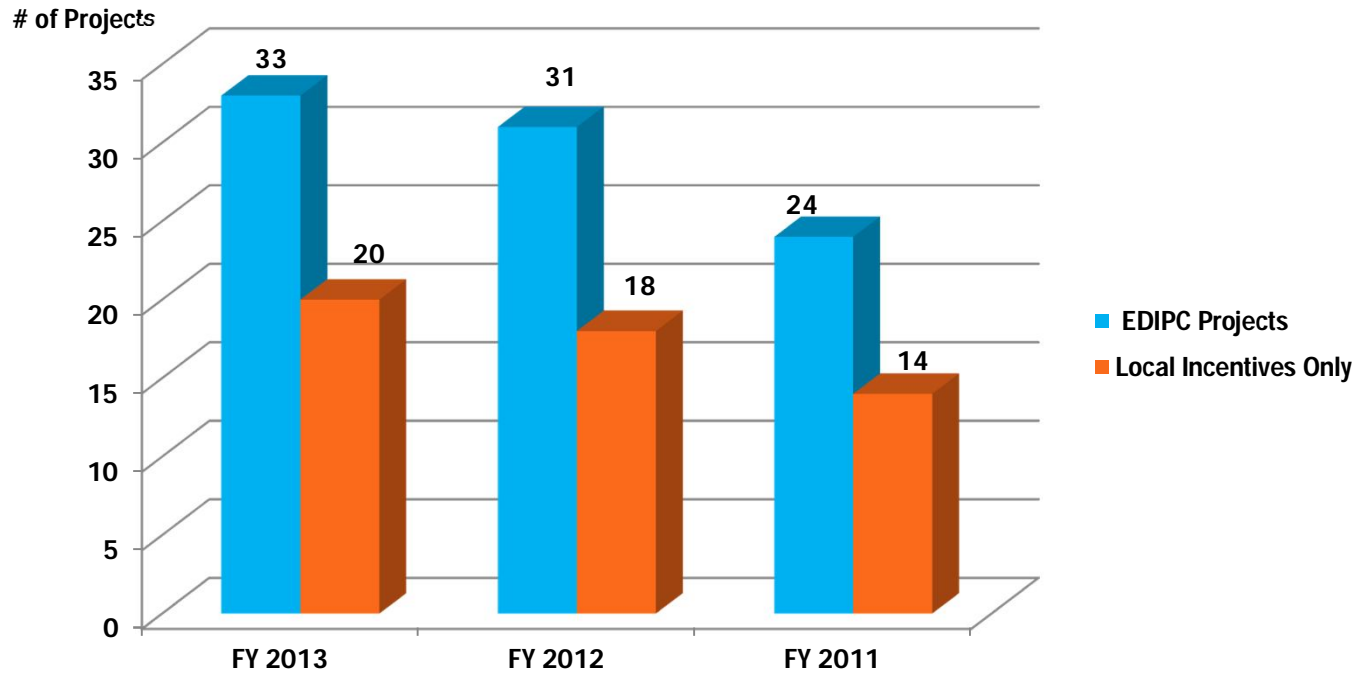
Today four types of projects:

- Expansion Projects (EP) – Similar to old program w/local incentives
- Enhanced Expansion Projects (EEP) – 100+ jobs in 2 years/non ETA
- Manufacturing Retention and Job Growth Projects (MRP)
 - Either 25 jobs created or 50 jobs retained
 - Must be a manufacturer
 - Must be in a Gateway City
- Local Incentive Only
 - TIF-Only (Tax Increment Financing)
 - STA-Only (Special Tax Assessment)

FY 2014 EDIP INITIATIVES

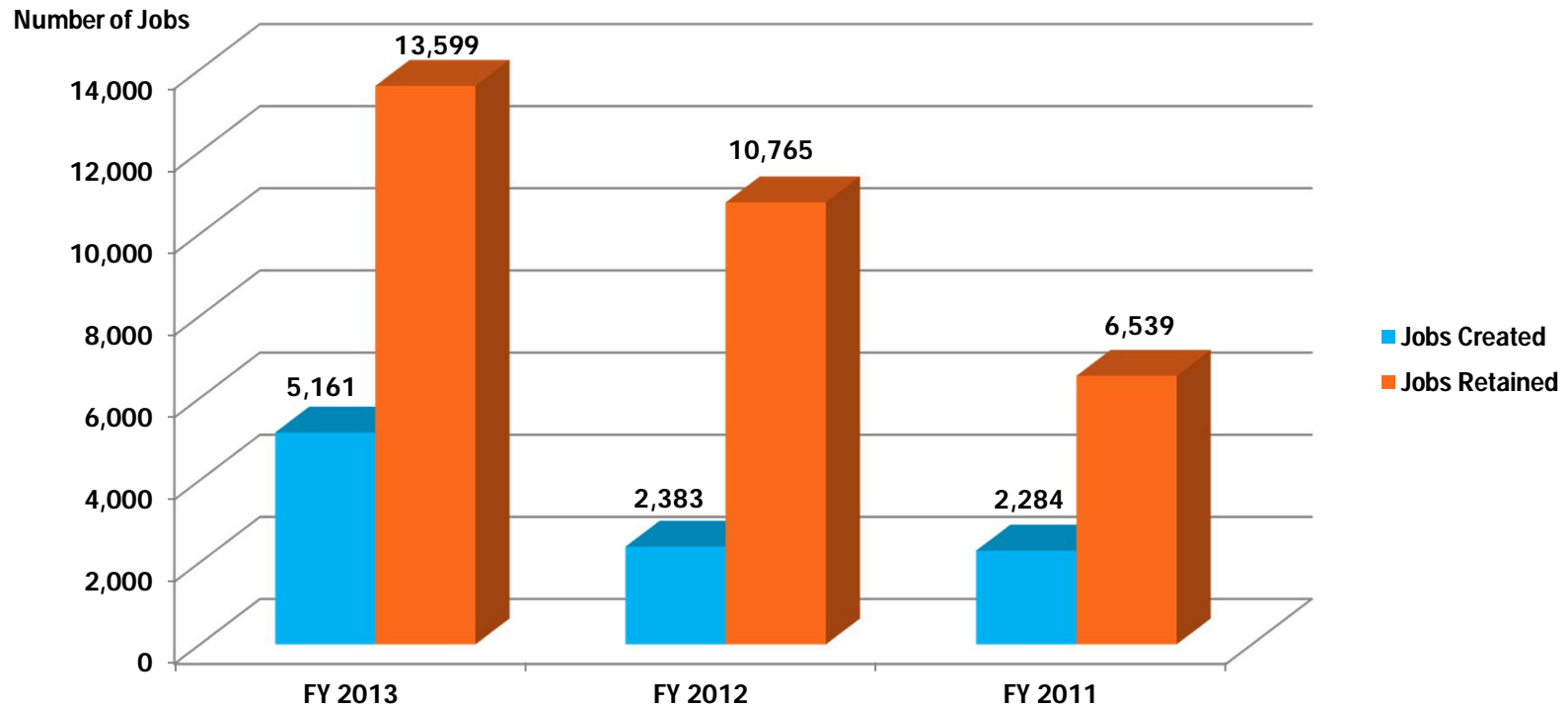
- Hold public hearing and subsequently codify the drafted changes to the program from Chapter 240 of Acts of 2010
- Champion identified legislative enhancements that would streamline the EDIP
- Have EACC Board vote and approve the drafted bylaws
- Hold Municipal Outreach meetings in all regions of the Commonwealth to Launch the EDIP Portal

EDIP TREND: PROJECT ACTIVITY HAS STEADILY INCREASED

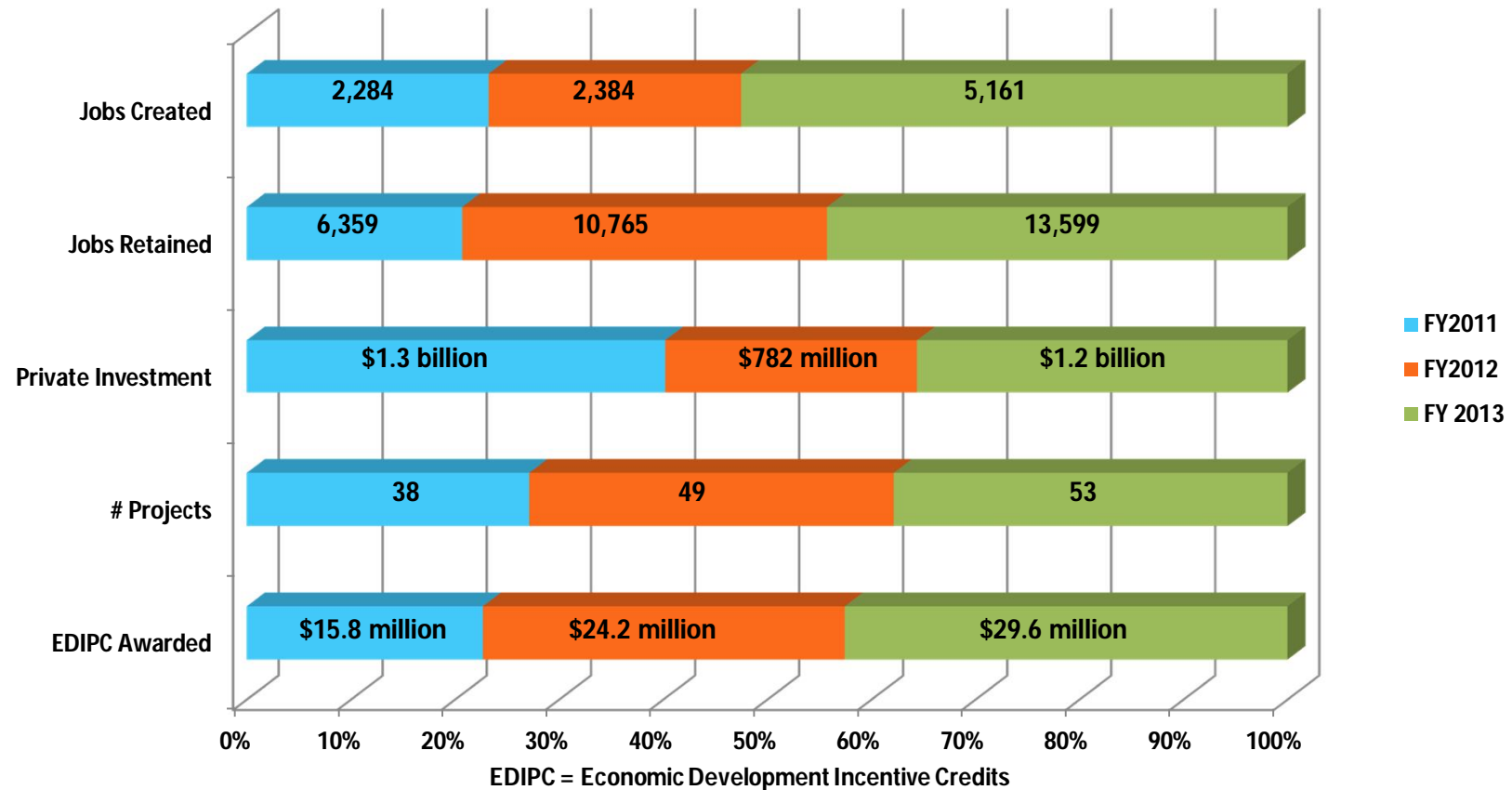


EDIPC = Economic Development Incentive Credits

EDIP TREND: JOB GROWTH HAS RISEN STEADILY



ALL EDIP PROJECTS BY FISCAL YEAR: TOTAL JOBS & %



EDIP FY 2013: PROJECTS APPROVED

Municipality	Region	Company Name	Industry	Company/Project Description	% Out-of-State Sales	Jobs Cr.	Jobs Ret.	Private Investment	EDIP-ITC Award	EACC Approval Date	Gateway
Adams	Berkshires	TOG Manufacturing Company, Inc.	MFG	Expansion Project	95%	6	45	\$1,760,641	\$75,000	6/26/2013	N
Dalton	Berkshires	Sinicon Plastics, Inc.	MFG	Expansion Project	90%	14	21	\$865,819	\$69,266	6/26/2013	N
Lee	Berkshires	Boyd Technologies, Inc.	MFG	TIF-Only Project	85%	8	41	\$1,500,000	\$0	6/26/2013	N
North Adams	Berkshires	Crane & Co.	MFG	STA-Only Project	N/A	74	206	\$5,000,000	\$0	3/26/2013	N
Holyoke	Pioneer Valley	Dirk Auferoth & Associates, LLC	MFG	Expansion Project	99%	1	3	\$461,000	\$20,000	9/26/2012	Y
Holyoke	Pioneer Valley	U.S. Tsubaki Power Transmission LLC, - Roller Chain Division	MFG	Manufacturing Retention Project	99%	15	175	\$6,305,000	\$270,000	9/26/2012	Y
Northampton	Pioneer Valley	Northampton Heights ALF dba Christopher Heights of Northampton	SER	TIF-Only Project	N/A	0	0	\$13,400,000	\$0	6/26/2013	N
Springfield	Pioneer Valley	Nash Manufacturing & Grinding Services Inc.	MFG	Expansion Project	60%	2	4	\$1,090,000	\$26,000	12/19/2012	Y
Springfield	Pioneer Valley	Latino Food Distributors, Inc. / 90 Meat Outlet, LLC	DIS	Expansion Project	68%	7	8	\$1,440,000	\$95,550	12/19/2012	Y
Springfield	Pioneer Valley	Massachusetts Mutual Life Insurance Company	SER	Enhanced Expansion Project	92%	250	3,352	\$59,400,000	\$3,750,000	3/26/2013	Y
Westfield	Pioneer Valley	Utility Service New England, Inc. (USNE)	SVC	TIF-Only	N/A	4	5	\$1,224,291	\$0	9/26/2012	Y

EDIP FY 2013: PROJECTS APPROVED

Municipality	Region	Company Name	Industry	Company/Project Description	% Out-of-State Sales	Jobs Cr.	Jobs Ret.	Private Investment	EDIP-ITC Award	EACC Approval Date	Gateway
Brockton	Greater Boston	W.B. Mason Co., Inc.	DIS	Expansion Project	73%	50	273	\$6,066,842	\$300,000	12/19/2012	Y
Brockton	Greater Boston	Evans Machine Company, Inc.	MFG	Expansion Project	38%	10	40	\$3,084,985	\$130,000	6/26/2013	Y
Chelsea	Greater Boston	Golden Cannoli Shells Co., Inc.	MFG	Expansion Project	42%	13	29	\$3,011,991	\$162,500	6/26/2013	Y
Chelsea	Greater Boston	Signature Breads, Inc.	MFG	TIF-Only Project	91%	0	145	\$7,597,412	\$0	6/26/2013	Y
Everett	Greater Boston	L. Knife & Son, Inc.	DIS	Expansion Project	26%	20	82	\$13,400,000	\$260,000	9/26/2012	Y
Revere	Greater Boston	Squire Charger Realty, LLC	DEV	TIF-Only Project	N/A	0	0	\$18,000,000	\$0	3/26/2013	Y
Andover	Northeast	Schneider Electric USA, Inc.	MFG	Expansion Project	98%	75	615	\$9,500,000	\$285,000	12/19/2012	N
Lexington	Northeast	VistaPrint USA Inc.	MFG	Expansion Project	98%	300	880	\$57,000,000	\$360,000	12/19/2012	N
Lynn	Northeast	Kettle Cuisine LLC	MFG	Expansion Project	69%	110	138	\$14,500,000	\$1,134,075	12/19/2012	Y
Lynn	Northeast	D'Amicis Bakery Trinacria Properties, LLC	RET	TIF-Only Project	N/A	8	17	\$1,045,000	\$0	6/26/2013	Y
Methuen	Northeast	Gooby Industries Corp. - dba Century Box	MFG	Manufacturing Retention Project	80%	89	89	\$5,250,000	\$1,100,000	9/26/2012	Y
Salem	Northeast	Jacqueline's Wholesale Bakery, Inc.	MFG	Manufacturing Retention Project	39%	35	75	\$2,838,200	\$283,820	3/26/2013	Y

EDIP FY 2013: PROJECTS APPROVED

Municipality	Region	Company Name	Industry	Company/Project Description	% Out-of-State Sales	Jobs Cr.	Jobs Ret.	Private Investment	EDIP-ITC Award	EACC Approval Date	Gateway
Westborough	Metro West	MicroChem Corp.	MFG	Expansion Project	91%	15	47	\$13,076,000	\$300,000	9/26/2012	N
Westborough	Metro West	Danafilms, Inc.	MFG	Expansion Project	67%	20	62	\$6,974,250	\$400,000	9/26/2012	N
Foxborough	MetroWest	Invensys Systems, Inc.	MFG	TIF-Only Project	N/A	0	900	\$33,000,000	\$0	6/26/2013	N
Hopkinton	MetroWest	Perkin Elmer Health Sciences Inc.	MFG	TIF-Only Project	N/A	150	250	\$13,000,000	\$0	3/26/2013	N
Marlborough	MetroWest	Ken's Foods Inc. / MIP Realty Trust	MFG	Expansion Project	86%	30	438	\$23,164,500	\$600,000	12/19/2012	N
Marlborough	MetroWest	Quest Diagnostics	SER	TIF-Only Project	N/A	246	957	\$77,850,000	\$0	12/19/2012	N
Natick	MetroWest	The MathWorks, Inc.	MFG	Enhanced Expansion Project	98%	600	1,818	\$112,992,000	\$3,000,000	3/26/2013	N
Needham	MetroWest	TripAdvisor LLC	IT	Expansion Project	90%	250	450	\$101,000,000	\$450,000	12/19/2012	N
Norton	MetroWest	Waste Management of Massachusetts	SER	TIF-Only Project	N/A	10	130	\$6,684,647	\$0	12/19/2012	N
Norton	MetroWest	South Shore Millwork, Inc.	MFG	TIF-Only Project	N/A	5	68	\$3,000,000	\$0	6/26/2013	N
Norwood	MetroWest	Applied Plastics Co., Inc. / Nailling LLC	MFG	TIF-Only Project	N/A	10	30	\$2,500,000	\$0	6/26/2013	N
Watertown	MetroWest	athenahealth	IT	Enhanced Expansion Project	90%	1,900	1,047	\$257,552,000	\$9,500,000	6/26/2013	N

EDIP FY 2013: PROJECTS APPROVED

Municipality	Region	Company Name	Industry	Company/Project Description	% Out-of-State Sales	Jobs Cr.	Jobs Ret.	Private Investment	EDIP-ITC Award	EACC Approval Date	Gateways
Devens	Central	Ozark Automotive Distributors, Inc. (a subsidiary of O'Reilly Auto Parts, Inc.)	DIS	Expansion Project	80%	80	0	\$32,900,000	\$400,000	6/26/2013	N
Fitchburg	Central	DRS Power Technology, Inc.	MFG	Manufacturing Retention Project	98%	0	80	\$33,000,000	\$2,400,000	3/26/2013	Y
Leominster	Central	New England Wire Products, Inc.	MFG	Manufacturing Retention Project	95%	100	154	\$3,550,000	\$317,500	3/26/2013	Y
Leominster	Central	F & M Tool & Plastics, Inc.	MFG	Manufacturing Retention Project	97%	36	6	\$12,677,514	\$540,000	6/26/2013	Y
Littleton	Central	FIBA Technologies, Inc.	MFG	Expansion Project	95%	67	0	\$14,350,000	\$772,644	12/19/2012	N
Pepperell	Central	Masy Systems Inc.	SER	TIF-Only Project	N/A	13	58	\$2,500,000	\$0	12/19/2012	N

EDIP FY 2013: PROJECTS APPROVED

Municipality	Region	Company Name	Industry	Company/Project Description	% Out-of-State Sales	Jobs Cr.	Jobs Ret.	Private Investment	EDIP-ITC Award	EACC Approval Date	Gateway
Attleboro	Southeast	Richline Group, Inc.	MFG	Manufacturing Retention Project	98%	100	628	\$3,630,000	\$400,000	6/26/2013	Y
Barnstable	Southeast	Kohl's Illinois, Inc. ("Kohl's" _OCW Retail-Hyannis, LLC (The Wilder Companies)	RET	TIF-Only Project	N/A	10	0	\$6,000,000	\$0	6/26/2013	Y
Fall River	Southeast	Portugalia Imports Inc.	RET	TIF-Only Project	N/A	12	0	\$2,000,000	\$0	12/19/2012	Y
Fall River	Southeast	Matouk Textile Works / John Matouk & Co. / Matouk Factory Store / Sheltering Sky Real Estate, LLC	MFG	Manufacturing Retention Project	93%	45	85	\$10,433,459	\$516,900	6/26/2013	Y
Fall River	Southeast	Waterfront Investments LLC	SER	TIF-Only	N/A	52	0	\$2,000,000	\$0	6/26/2013	Y
Fall River	Southeast	Rhode Island Novelty, Inc.	DIS	Enhanced Expansion Project	97%	100	0	\$15,121,234	\$990,500	9/26/2012	Y
Plymouth	Southeast	High Rock Cranberry Crescent	DEV	TIF-Only Project	N/A	0	0	\$68,000,000	\$0	12/19/2012	N
Plymouth	Southeast	Mirbeau Boston-South LLC/	DEV	TIF-Only Project	N/A	140	0	\$21,575,000	\$0	12/19/2012	N
Plymouth	Southeast	Plymouth MA 2013 LLC	DEV	TIF-Only Project	N/A	0	0	\$20,000,000	\$0	3/26/2013	N
Taunton	Southeast	General Fire Extinguishers Inc.	SER	Expansion Project	26%	4	8	\$950,142	\$23,000	12/19/2012	Y
Wareham	Southeast	T. Marzetti Company / Chatham Village All-Natural Croutons (subsidiaries of Lancaster	MFG	Expansion Project	96%	25	140	\$8,887,795	\$625,000	12/19/2012	N
Wareham	Southeast	Cranberry Hospitality, LLC / LaFrance Hospitality Company	SER	Expansion Project	N/A	50	0	\$10,015,000	\$65,000	6/26/2013	N
						11,499	37,207	\$4,450,843,725	\$104,608,151		

EDIP CONTACT INFORMATION

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